



*The Commonwealth of Massachusetts*  
*House of Representatives*  
*State House, Boston 02133-1054*

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Chairman  
Committee on  
Ways and Means

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To the Honorable Members of the Massachusetts House of Representatives:

In this document the House of Representatives Committee on Ways and Means presents its recommendations for the Commonwealth of Massachusetts' Fiscal Year 2009 General Appropriations Act. The Committee has crafted budget recommendations that address the acute fiscal challenges facing the Bay State with investments in programs and services that protect the most vulnerable while adhering to principals of fiscal prudence.

This year our Commonwealth stands on the edge of potentially dramatic shifts in the national and regional economy. With a structural deficit of \$1.3 billion and foreboding skies on the economic horizon, the Committee labored to produce a plan that provides a solid fiscal foundation upon which Massachusetts can weather what lies ahead. It has done so, and met the challenge of closing the deficit gap, while continuing to maintain our commitment to adequately provide for fair and effective delivery of government functions.

Doing so has not been easy. The Committee made difficult choices in order to close the structural deficit—a deficit caused by rising costs that require increasing resources to provide the same level of service—even as demand for those services continues to expand. We adhere to the proposal made by Speaker DiMasi that calls for the trimming of over \$100 million from state spending and identification of \$253 million worth of savings and reforms. These efforts, combined with the infusion of \$166 million from enhanced revenue collections; \$381 million from a \$1-per-pack cigarette tax increase and corporate taxation reforms; and the use of \$427 million of stabilization funds that will still leave Massachusetts with approximately \$2 billion in reserves, provided the Committee with a sound method for closing the budget gap and setting a steady fiscal course for the future.

Finally, but perhaps most importantly for the purpose of promoting an open and democratic process of law making, these recommendations continue a reform begun in the House of Representatives that removed matters better suited for consideration as individual legislation from the pages of the budget.

The House Committee on Ways and Means officially began its work on this document in December of 2007 when it sat for the Consensus Revenue Hearing. Since then it received hundreds of pages of testimony, held ten public hearings across the Commonwealth on all aspects of the budget, and worked diligently to ensure that all parties had the opportunity to offer their insight and counsel on how best to disperse the Commonwealth's resources. The budget we present to the House today represents the culmination of those efforts and we look forward to continuing this process that will eventually lead to final approval of Fiscal Year 2009 General Appropriations Act.

Very truly yours,

A stylized blue ink signature of Robert A. DeLeo.

ROBERT A. DeLEO  
Chairman